

Kiduja India Limited

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

1. Preface

Regulation 8 of SEBI (Prohibition of Insider Trading) Regulation, 2015 (hereinafter “PIT Regulations”) provides for the formulation of a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (hereinafter referred to as “Code”).

Further, pursuant to sub regulation (2A) of regulation 3 of the PIT Regulations with effect from 1st April, 2019 Kiduja India Limited (‘the Company’) is required to make policy for determination of ‘legitimate purposes’ as a part of “Code for Fair Disclosure and Conduct” (Annexure – I).

The Company endeavors to preserve the confidentiality of unpublished price sensitive information and to prevent the misuse of such information. To achieve these objectives and in compliance with the aforesaid PIT Regulations, the Company hereby notifies this code.

This Code is to be read with the Policy for determination of ‘legitimate purposes’ .

Any subsequent modification and / or amendments brought about by SEBI in the PIT Regulations shall automatically apply to this code.

2. Principles of Fair Disclosure for purposes of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“UPSI”)

The Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the securities of the Company. To achieve this objective, the members of the Board of Directors shall adhere to the following principles in the letter as well as in spirit:

1. There shall be prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
2. The uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure shall be ensured.
3. A senior officer of the Company as authorised by the Board of Directors be designated as Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. There shall be prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise. It should be ensured that such information is generally available.
5. Appropriate and fair response shall be provided against the queries on news reports and requests for verification of market rumours by regulatory authorities.
6. The Board of Directors shall ensure that the information shared with analysts and research personnel is not unpublished price sensitive information.

7. Best practices should be followed to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
8. Unpublished price sensitive information shall be handled on a need-to-know basis.

3. Power of the Board of Directors

The Chief Investor Relations Officer, subject to the approval of the Board of Directors reserves the right to amend or modify this code in whole or in part, at any time by specifying the reasons thereof to the Board of Directors of the Company.

Every amendment thereto shall be promptly intimated to the stock exchanges where the securities of the Company are listed.

The Board of Directors on its own or on the recommendation of the Audit committee, may establish further rules and procedure from time to time, to give effect to the intent of this code and to further achieve the objective of good corporate governance.

The decision of the Board of Directors of the Company with regard to any or all matters relating to this code shall be final and binding on all concerned.

Annexure – I

Policy for Determination of Legitimate Purposes

Preface

Policy for determination of 'legitimate purposes' is formulated in compliance with the provisions of sub regulation (2A) of regulation 3 of the PIT Regulations. This policy shall be applicable to all the insiders.

The term 'insider' shall have the same meaning as referred in the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter "PIT regulations"). Further, the words and expressions used and not defined in this Policy shall derive their meaning from PIT regulations.

Any subsequent modification and / or amendments brought about by SEBI in the PIT Regulations shall automatically apply to this code.

Determination of Legitimate Purpose

1. 'Legitimate Purpose' shall include sharing of Unpublished Price Sensitive Information ("UPSI") in the ordinary course of the business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or otherwise advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the PIT Regulations.
2. What shall constitute 'legitimate purpose' and what shall not constitute 'legitimate purpose' will be based on the business related needs of the Company. In general 'legitimate purpose' shall, inter-alia, include the following purposes:
 - a. Audit Purpose
 - b. Contractual Obligation
 - c. Legal Obligation
 - d. Any other specific purpose based on the business related needs of the Company and
 - e. Other administrative purposes.
3. The information provided for a legitimate purpose must be compatible with a declared and specified purpose and should not be contrary to law, morals or any public policy.
4. The information recipient must be clearly instructed to obtain the company's written consent in case the information provided to such recipient is used by such recipient for another purpose other than the 'legitimate purpose' for which the Company had provided the UPSI. If the Company concludes that, the secondary purpose is 'legitimate purpose', the Company may grant consent for the same to the users of the information.

Principles

1. No insider shall communicate, provide, or allow access to any UPSI, relating to the company to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

2. No person shall procure from or cause the communication by any insider of UPSI, relating to the company except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
(It is intended to impose a prohibition on unlawfully procuring possession of UPSI. Inducement and procurement of UPSI not in furtherance of one's legitimate duties and discharge of obligations would be illegal under the provisions of the said regulations).
3. All the information shall be handled within the organisation on a need to know basis and no UPSI shall be communicated to any person except in furtherance of legitimate purposes, performance of the duties or discharge of legal obligations.
4. The information provided for the 'legitimate purpose' must not be excessive in relation to the declared purpose. It must be ensured that, providing such information is necessary for its intended purpose.
5. Due notice shall be given to any person in receipt of UPSI and considered as an 'insider' pursuant to a 'legitimate purpose' to maintain confidentiality of such UPSI in compliance with the PIT regulations.

Power of the Board of Directors

The Chief Investor Relations Officer, subject to the approval of the Board of Directors reserves the right to amend or modify this code in whole or in part, at any time by specifying the reasons thereof to the Board of Directors of the Company.

Every amendment thereto shall be promptly intimated to the stock exchanges where the securities of the Company are listed.

The Board of Directors on its own or on the recommendation of the Audit committee, may establish further rules and procedure from time to time, to give effect to the intent of this code and to further achieve the objective of good corporate governance.

The decision of the Board of Directors of the Company with regard to any or all matters relating to this code shall be final and binding on all concerned.

Disciplinary Action

The Audit Committee, subject to the approval of the Board of Directors, may take appropriate action against any person who violates the provisions of this policy. Disciplinary Action may include penalising the concerned person. Where the Company has suffered a loss due to violation of the Policy, it may pursue its legal remedies against such person(s).
